

# FROM IDEA TO STRUCTURE

A PRACTICAL GUIDE TO  
LAUNCH A BUSINESS

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# Welcome!

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TURN YOUR IDEA  
INTO REALITY



BUILD ON SOLID,  
COMPLIANT GROUND



SAVE TIME, AVOID  
COSTLY MISTAKES



FOCUS ON GROWTH,  
NOT BUREAUCRACY

Startups always begin with a dream. Sometimes it's an idea you've carried for years. Sometimes it's corporate expertise you've finally decided to turn into your own business. Other times, it's a casual hobby that suddenly takes off, growing so fast that it demands to become a real business.

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But when I moved from the EU to Switzerland with my own corporate dreams, I hit a wall. I learned the hard way that turning a passion into a legal Swiss entity comes with confusing public offices, unexpected delays, and months of administrative stress. The generic advice online completely ignored the reality of building a business from scratch.

I built this workbook so you can bypass the chaos and protect your momentum.

Every checklist and exercise in these pages is designed to transition your idea out of your head and onto solid, compliant ground. Let's take your vision, strip away the bureaucratic noise, and build your bulletproof Swiss business architecture.

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# WHERE TO START?

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Switzerland is consistently ranked among the world's best places to start a business, but most guides for expat founders skip the practical hurdles that actually trip people up. This guide is different.

We skip the generic advice. We go straight to what you need to know before you register, before you open a bank account, and before you sign anything.

## Who This Guide Is For?

- ✔ EU/EEA citizens relocating to Switzerland and planning to launch a new venture.
- ✔ Non-EU founders holding a valid Swiss work or residence permit.
- ✔ Freelancers considering formalizing their independent activity into a clean legal entity.
- ✔ Employees at established Swiss companies looking to safely launch a side business.

## QUICK FACTS



Switzerland ranks #1 in the Global Innovation Index.



Corporate tax rates average 11.85% (Zug) – 20.5% (Bern) depending on the canton.



The typical timeline to register a GmbH online via the commercial register is approximately 2–5 working days.



# SECTION I

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## UNDERSTANDING SWISS BUSINESS STRUCTURES

Switzerland offers four main legal structures for small businesses and startups. Each features completely unique capital requirements, liability structures, and administrative burdens. Choosing the wrong one early is an expensive and time-consuming mistake.

STRUCTURE	BEST FOR	KEY TRAITS
<b>Sole Proprietorship</b> (Einzelfirma)	Freelancers, consultants, and solo practitioners.	Lowest ongoing administrative work; unlimited and total personal liability.
<b>GmbH</b> (LLC Equivalent)	Small teams, startups, and product-based setups.	CHF 20,000 minimum capital; fully limited liability to corporate assets.
<b>AG</b> (Joint Stock Co.)	VC-backed startups, large teams, or IPO ambitions.	CHF 100,000 minimum capital; shares are highly liquid and transferable.
<b>Simple Partnership</b>	Informal collaborations between two or more people.	No registration or capital required; full shared personal liability.

## 1.2



### SOLE PROPRIETORSHIP FAST BUT RISKY

- ✔ **Fastest Setup** | Start selling instantly with **CHF 0** capital.
- ✔ **Total Risk** | Personal savings and assets can be seized for business debts.
- ✔ **Optional Registry** | Commercial Register registration is voluntary until annual sales cross **CHF 100,000**, then mandatory.
- ✔ **Mandatory Socials** | You **must register** with the AHV (Social Security) from day one, regardless of your revenue.

## 1.3



### GMBH MOST POPULAR FOR EXPAT FOUNDERS

- ✔ **Capital Needed** | **CHF 20,000** minimum.
- ✔ **Asset Protection** | Liability stops at the company bank account. Your personal assets are completely safe.
- ✔ **No Team Required** | 100% solo ownership and management is fully permitted.
- ✔ **Common Myth** | You do not need a local Swiss partner if you have a valid residency permit.

## 1.4



### STOCK COMPANY (AG) BUILD FOR GROWTH

- ✔ **High Entry** | Requires a minimum of CHF 100,000 capital (minimum CHF 50,000 cash paid-in at setup).
- ✔ **Separate Entity** | Total asset firewall. Liability is strictly locked to company equity.
- ✔ **Investor Ready** | Easy to divide, sell, or transfer shares to outside investors or employees.
- ✔ **Owner Privacy** | Shareholder names stay completely hidden from the public commercial register.

#### Founder note: Registration Thresholds

If your gross annual business revenue stays below CHF 100,000, you are not legally required to register with the Commercial Register (Handelsregister), though you may choose to voluntarily. Regardless of registration, you are legally required to sign up with the local social security administration (AHV) to declare your self-employed income.



# SECTION II







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## 2.1. THE COMPANY REGISTRATION PROCESS

Launching a company in Switzerland follows a strict legal sequence.

Each milestone unlocks the next layer of your business foundation from selecting your legal structure to activating your operational bank account.

## 2.2. THE REGISTRATION LIFECYCLE

- **DEFINE LEGAL STRUCTURE**  
Impacts: liability • tax • capital • investors • admin load
- **SECURE YOUR SWISS BUSINESS ADDRESS**  
This address becomes your company's official legal location inside the Commercial Register.
- **FREEZE YOUR STARTUP CAPITAL (GmbH / AG only)**  
Before incorporation, your startup capital must be deposited into a temporary blocked Swiss bank account.
- **NOTARY AUTHENTICATION (GmbH / AG only)**  
Your formation documents must be officially notarized to become legally valid.
- **COMMERCIAL REGISTER FILING**  
Your finalized formation package is submitted to the cantonal Handelsregister (Commercial Register).
- **ACTIVATION & COMPLIANCE**  
Once your company is published in the Swiss Gazette (SOGC/FOSC), operational activation begins.

### 2.3. THE STARTUP STRUCTURE COMPARISON

Requirement / Gate	SOLE PROPRIETORSHIP (EINZELFIRMA)	GMBH (LLC EQUIVALENT)	AG (JOINT STOCK CO.)
VAT (MWST) Registration	Mandatory once worldwide revenue hits CHF 100,000.	Mandatory once worldwide revenue hits CHF 100,000.	Mandatory once worldwide revenue hits CHF 100,000.
Required Core Documents	<ul style="list-style-type: none"> <li>• Registration application form.</li> <li>• Proof of Swiss commercial address (lease/contract).</li> </ul>	<ul style="list-style-type: none"> <li>• Notarized Foundation Deed.</li> <li>• Articles of Association (Statuten).</li> <li>• Bank capital deposit letter.</li> </ul>	<ul style="list-style-type: none"> <li>• Notarized Foundation Deed.</li> <li>• Articles of Association (Statuten).</li> <li>• Bank capital deposit letter.</li> </ul>
The Notary Process	<b>None.</b>	<b>Mandatory.</b>	<b>Mandatory.</b>
Commercial Register (Handelsregister)	Optional until gross domestic sales cross CHF 100,000 per year.	Mandatory from Day 1.	Mandatory from Day 1.
Accounting & Bookkeeping Type	Sales < CHF 500k. Simple cash-basis	Mandatory Double-Entry Bookkeeping	Mandatory Double-Entry Bookkeeping
Social Security (AHV) Activation	Register manually as a Self-Employed individual.	Register the company.	Register the company.
Mandatory Insurance	Optional (but highly recommended)	Mandatory UVG (Accident Insurance)	Mandatory UVG (Accident Insurance)



# SECTION III

## THE FINANCIAL BLUEPRINT

Switzerland's tax system is highly competitive but operates on three layers: Federal, Cantonal, and Municipal. Fortunately, for small business owners, the total combined tax burden is highly competitive compared to neighboring European states.

### 3.1 TAX RATES AS OF 2026

TAX TYPE	RATE & THRESHOLD	KEY OPERATIONAL RULE
Corporate Income	11.85% to 20.5% (Effective Combined)	<b>Tax on Profit Only.</b> Includes a flat 8.5% federal rate + varying cantonal/municipal rates.
Standard VAT (MWST)	8.1%	Mandatory registration triggers the moment global or domestic annual sales cross CHF 100,000.
Reduced VAT	2.6% / 3.8%	2.6% applies to daily essentials (food, books); 3.8% applies to hotel accommodation services.
Withholding Tax	35%	Temporary Deposit. (Taken only on dividend payouts, then fully refunded once declared on your personal tax return.)

## 3.2 MANDATORY BOOKKEEPING

Your accounting method depends entirely on your legal structure and your annual sales.



### SIMPLE BOOKKEEPING (INCOME & EXPENSES LEDGER)

**What it is:** A basic chronological ledger that tracks only cash flowing in (Income) and cash flowing out (Expenses), plus a basic list of what the business owns (Assets).

**How it's treated:** It operates on the Cash Principle, you only record a transaction when the money physically hits or leaves your bank account.

*Used by Sole Proprietors under (CHF) 500,000 in sales. It works exactly like a personal bank statement: money in, money out.*

Date	Description	Income (CHF)	Expense (CHF)	Balance (CHF)
01.05	Opening Bank Balance			5,000
05.05	Client Invoice (*103) Received	3,500		8,500
12.05	Office Rent Paid		- 1,200	7,300
19.05	Software Subscription (SaaS)		- 100	7,200
31.05	<b>Closing Month-End Cash Balance</b>			<b>7,200</b>



### DOUBLE-ENTRY BOOKKEEPING (FULL BALANCE SHEET & P&L)

**What it is:** A formal accounting framework requiring a structured Balance Sheet (Assets vs. Liabilities) and a Profit & Loss Statement (P&L).

**How it's treated:** It operates on the Accrual Principle, transactions are recorded the moment an invoice is sent or received, regardless of when the cash is actually paid.

*Mandatory for all GmbH & AG companies from day one. It splits your financial reality into two separate, formal reports.*

BALANCE SHEET	
Assets	
Cash in Bank	25,000
Equipment	4,000
Receivables	2,000
<b>Total Assets</b>	<b>31,000</b>
Liabilities	
Accounts Payable	3,000
<b>Total Liabilities</b>	<b>3,000</b>
Equity	
Share Capital	20,000
Retained Earnings (Accumulated Profit)	8,000
<b>Total Equity</b>	<b>28,000</b>
<b>Total Liabilities &amp; Equity</b>	<b>31,000</b>

P&L	
Consulting Services (Invoiced client projects)	15,000
Software Subscriptions (Recurring software sales)	2,000
<b>Total Earnings</b>	<b>17,000</b>
Team Salaries (Gross payroll + social security)	-5,000
Marketing & Ads (Google, Meta, lead generation)	-3,000
Office Rent (Workspace and utilities)	-1,000
<b>Total Expenses</b>	<b>-9,000</b>
<b>Net Profit (Total Earnings - Total Expenses)</b>	<b>8,000</b>



# SECTION IV

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## SOCIAL SECURITY

The Swiss social insurance matrix must be explicitly handled from your first month of commercial trading.

### 4.1. PILLAR 1: PENSION INFRASTRUCTURE (AHV/IV/EO), MANDATORY.



#### Sole Proprietors

You remit contributions directly based on net adjusted business profits. For 2026, an absolute mandatory **baseline** minimum contribution of **CHF 530** per year applies **even if your setup** generates zero income or records a **net loss**.



#### GmbH Owners

You are legally structured as an active employee of your own company.

The mandatory statutory first-pillar contributions total **12.8%** (comprising 10.6% AHV/IV/EO and 2.2% ALV), split exactly 50/50 between the employer (GmbH/AG) and the employee (6.4% each).



### PRO TIP

The Ausgleichskasse bills you quarterly (Akonto payments) based on your estimated income. After your tax return is finalized, they perform a final settlement. If your actual income was significantly higher than estimated, you may receive a supplementary bill (Nachforderung).

Proactively update your income estimate with your cantonal Ausgleichskasse when your revenue changes substantially.

This helps avoid unpleasant surprises and interest on late payments.

## 4.2. PILLAR 2: OCCUPATIONAL PENSION FUND (BVG).



### Sole Proprietorship

You are legally self-employed (a natural person, not a corporate employee).

**The Threshold:** Completely irrelevant.

**The Rule:** Pillar 2 (BVG) is 100% voluntary for you, even if your business makes CHF 500,000 in profit. You are entirely exempt from mandatory corporate pension funds.



### GmbH/ AG Owners

Under Swiss law, you are legally an employee of your own corporation.

**The Threshold:** If your gross salary from the GmbH/AG exceeds CHF 22,680 per year, the GmbH/AG must formally affiliate with a pension fund and pay contributions for you.

**The Rule:** Mandatory from day one the moment that salary line is crossed.

## 4.3. PILLAR 3: PRIVATE RETIREMENT ADVANTAGE (SÄULE 3A)

**Strategic Tool:** Provides exceptional tax-deductible shelter benefits and serves as a vital component for independent entrepreneurs looking to proactively mitigate structural gaps in long-term wealth planning.



### Sole Proprietorship

Your primary weapon is the "Large Pillar 3a".

Write off up to CHF 36,288 directly from your personal taxes.



### GmbH/ AG Owners

Your primary weapon is Pillar 2 "Buy-Ins".

Make voluntary, fully tax-deductible personal deposits into your corporate fund to clear out historical gaps.

## 4.4. UVG ACCIDENT INSURANCE (UNFALLVERSICHERUNG)

Every single company in Switzerland with employees (including GmbH/AG founders) must have this from Day 1.

- ✔ Work less than 8 hours/week for your company, you are only covered for Occupational Accidents (at work or commuting).
- ✔ Work 8+ hours/week, the policy automatically upgrades to cover Non-Occupational Accidents (leisure time, skiing, sports).

## 4.5. KTG DAILY SICKNESS INSURANCE (KRANKENTAGGELD)

Without a KTG policy, if a new employee gets a severe illness, your startup is legally forced to pay their wages out of pocket while getting zero work in return. This can easily bankrupt a young company.

## 4.6. ADDITIONAL BUSINESS INSURANCE



### Commercial Liability (Betriebshaftpflicht)

Highly recommended (Mandatory for certain regulated or physical professions).



**What it covers:** Physical and material damage.

It protects your business if you, your product, or your team accidentally damages a client's physical property or causes bodily injury.



### Professional Indemnity (Berufshaftpflicht)

Essential for IT consultants, SaaS startups, freelancers, and digital agencies.



**What it covers:** Pure financial loss.

It protects your business if a coding mistake, data breach, system downtime, or bad advice causes your client a massive financial loss.



# THE LEGAL BACKBONE

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## YOUR STRUCTURAL, DAY-TO-DAY LEGAL BACKBONE

Ensure your digital footprint and commercial agreements deploy these three primary protective documents:



### IMPRESSUM (STATUTORY IMPRINT) | COMPULSORY

- **The Law** | Under Swiss law, your website must display a clear imprint.
- **What it must include** | Full corporate name, legal structure, complete physical address, active contact channels, and your unique corporate UID number.



### PRIVACY STATEMENT (DATENSCHUTZERKLÄRUNG) | COMPULSORY

- **The Law** | Must comply with the Swiss Federal Act on Data Protection (FADP).
- **What it must include** | Explicit details on the exact categories of user data you process, the business purpose behind it, and a visible "Last Updated" timestamp.



### TERMS & CONDITIONS (AGB) | STRATEGIC DEFENSE

- **The Law** | Must be presented clearly and explicitly confirmed by clients to remain binding.
- **What it must include** | This forms your operational shield, dictating project scopes, payment timelines, late interest fees, cancellation rules, and maximum legally permitted liability caps.

## FOUNDER NOTE

Strong documents prevent disputes. Clear structure protects your time, your business, and your reputation.

# BRINGING IT ALL TOGETHER

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You have mapped your strategy, selected your structure, safeguarded your legal assets, and calculated your financial frameworks. The final step is moving from planning to execution.

## THE MASTER KEY: EASYGOV.SWISS

Through this single centralized dashboard, you will officially



### Submit Registry Filings

Electronically send your finalized company details and notary-approved Statuten to your cantonal Commercial Register.



### Activate Tax Status

Register for your unique Business Identification Number (UID) and activate your corporate VAT profile.



### Sync Core Insurances

Declare your mandatory workplace accident insurance (UVG) policies directly to local authorities.



### Enroll in Social Security

Complete your institutional registration with the cantonal Ausgleichskasse for Pillar 1 pension infrastructure.

## ABOUT THE AUTHOR



This guide was built by Ana Sitova, the creator behind [finstrat.ch](https://finstrat.ch) a platform dedicated to helping expats and newcomers navigate Swiss business, finance, and compliance.

She created this platform to cut through the complexity and deliver the clear, actionable insights that independent professionals actually need when getting started in Switzerland.

## NEED PERSONALIZED DIRECTION?

While this guide provides your foundational structural roadmap, individual variables like cantonal rules, or the final decision on how to structure your projects require a tailored approach.

If you need a sounding board for your specific situation, Ana offers individual consulting sessions focused on the unique financial and administrative realities of setting up in Switzerland.



Personalized  
Guidance



Business  
Clarity



Financial & Legal  
Confidence



Strategic  
Efficiency



Let's build your business the right way, from day one.  
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## IMPORTANT NOTICE

# LEGAL & FINANCIAL DISCLAIMER

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